

ATTACHMENT A

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING A SECOND AMENDMENT TO A DEVELOPMENT AGREEMENT FOR PHASE III OF THE SAFECO REDMOND CAMPUS AT THE SOUTHWEST CORNER OF 156TH AVENUE NE AND NE 51ST STREET.

WHEREAS, Resolution No. 1066, passed by the City Council on May 5, 1998, approved a development agreement between the City of Redmond and Safeco Insurance Company of America ("Safeco") for the property commonly known as Phase III of the Safeco Redmond Campus ("the Development Agreement"); and

WHEREAS, Resolution No. 1175, passed by the City Council on August 19, 2003, approved an amendment to the Development Agreement in order to extend the deadline for filing development applications for Phase III and in order to reflect the current legal descriptions of the parcels covered by the Development Agreement; and

WHEREAS, General America Corporation, as the successor in interest to Safeco, has applied to amend the Development Agreement a second time in order to (a) extend the term of the agreement to 2015, (b) allow approximately 88,600 additional square feet upon completion of Phase III, (c) allow greater flexibility in siting buildings on the property, (d) modify the concurrency certificate, and (e) modify the tree retention provisions; and

WHEREAS, pursuant to RCW 36.70B.200, the Redmond City Council held a public hearing on the proposed amendment on March 2, 2004, and after considering all testimony presented at the public hearing, determined that the amendment should be approved; now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON,
HEREBY RESOLVES AS FOLLOWS:

Section 1. **Amendment Approved.** That certain agreement entitled, "Second Amendment to Development Agreement between the City of Redmond and Safeco Insurance Company of America for Development of Phase III of the Redmond Campus," attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full, is hereby approved. The Mayor is hereby authorized to execute the Amendment.

Section 2. **Recording.** As provided in RCW 36.70B.190, a signed original of the Amendment shall be recorded with the real property records of King County, Washington and shall be binding on the parties and their successors and assigns.

RESOLVED this 2nd day of March, 2004.

CITY OF REDMOND

ROSEMARIE IVES, MAYOR

ATTEST/AUTHENTICATED:

BONNIE MATTSON, CITY CLERK:

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO. _____

Exhibit A

SECOND AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDMOND AND SAFECO INSURANCE COMPANY OF AMERICA FOR DEVELOPMENT OF PHASE III OF THE REDMOND CAMPUS

The City of Redmond, a Washington Optional Municipal Code City ("City"), and General America Corporation, a Washington corporation ("GAC"), the successor in interest to Safeco Insurance Company of America, a Washington corporation ("Safeco"), as owner of the real property known as the Redmond Campus, hereby enter into this second amendment to that Development Agreement dated May 27, 1998, recorded under recording number 9808200229, as amended by the first amendment to the Development Agreement dated February 10, 2004 recorded under recording number 20040223002044 which govern the development of the Redmond Campus. Copies of the Development Agreement and the first amendment to the Development Agreement are attached hereto as Attachments A and B.

There are no revisions to Paragraph 1 of the first amendment to the Development Agreement set out in Attachment A, which identifies the location of the Redmond Campus, or the legal description attached thereto.

Paragraph 2 of the Development Agreement is hereby amended as follows:

2. Redmond Campus Phased Development. The Redmond Campus has been developed in phases. It consists of the 102,118 square foot Pacific Building constructed in 1976, the 159,853 square foot Rainier Building constructed in 1979, the 219,659 square foot Olympic Building constructed in 1988, and the most recent development, referred to as Phases I and II, completed in 2001. Phases I and II consist of the 147,835 square foot Adams Building, the 139,031 square foot Shasta Building, the 56,610 square foot Columbia Building, 16,446 square feet of cafeteria and lobby additions to the Rainier building, underground parking for 793 cars, and the North and West parking garages as depicted on Attachment C hereto, which is incorporated herein as if set forth in full. Attachment C replaces and supersedes Attachment 2 to the original Development Agreement. Phase III will consist of office and office related development up to a maximum of 445,490 additional square feet, exclusive of parking. The development areas for location of the Phase III improvements are depicted on Attachment C hereto. Phase III may be developed at one time or in phases during the term of this Development Agreement. If the Pacific Building is redeveloped, the existing square footage may be included in the redevelopment and shall not be counted as part of the 445,490 additional square feet allowed by this Development Agreement. GAC may opt to develop Phase III under the terms of this Development Agreement or the development regulations in effect at the time of submittal of a development application.

Paragraph 3 of the first Amendment to the Development Agreement is hereby amended as follows:

3. Term of Agreement and Vesting. Except as otherwise set forth herein, this Development Agreement and the zoning, building and development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies and other laws, statutes, ordinances or policies governing land development identified in this Development Agreement shall govern the development of Phase III so long as any application required for Phase III development, including an application for site plan entitlement (or if that process is no longer used, the equivalent review process at the time of development), is filed on or before May 27, 2015. Except as otherwise provided herein or by county, state or federally mandated laws preempting the City's authority to vest regulations to Phase III development under this Agreement, and excluding revisions to permit processing and plan review fees, any amendments or additions made during the term of this Development Agreement to zoning, building or development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies or other laws, statutes, ordinances, comprehensive plan policies or other policies governing land development which are identified in this Development Agreement as applicable to Phase III development shall not apply to or affect the conditions of Phase III development, provided that pursuant to RCW 36.70B.170(4) the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by a serious threat to public health and safety, as determined by the Redmond City Council after notice and an opportunity to be heard has been provided to GAC.

Paragraph 4 of the Development Agreement is hereby amended as follows:

4. Zoning, Development Regulations and Fees, Transportation Concurrency and SEPA. Except as otherwise set out in this Development Agreement, the following zoning regulations and development standards shall govern development of Phase III of the Redmond Campus during the term of this Development Agreement:

(a) **Zoning and Development Regulations.** The Redmond Campus was located in the Business Park zone when the Development Agreement was approved and executed. Except as is otherwise set out in this Agreement, including Attachments hereto, the zoning, building and development regulations, policies and ordinances, and comprehensive plan policies of the City governing land development in effect as of May 27, 1998 shall govern the development of Phase III.

(b) **Design and Development.** Phase III shall be subject to the site plan entitlement process. Phase III shall be limited to development of a maximum of 445,490 additional square feet of office and office related development on the

Campus, exclusive of parking, to be located within the development areas set out on Attachment C. Building stories, height and setbacks shall be consistent with Attachment C. The number of new buildings and structures and square footage and location of each within the development areas identified on Attachment C shall be determined as part of the site plan entitlement process. Development may be phased during the term of this Development Agreement.

(c) **Trip Cap.** GAC shall be required to cap the 4:00 to 6:00 PM Peak Hour Trips for the entire Redmond Campus at 1476 total PM Peak Hour Trips upon completion of any Phase III development. If the City adopts regulations which allow a FAR greater than .47 then the number of PM Peak Hour Trips allowed for the Redmond Campus shall be the greater number of PM Peak Hour Trips attributable to the higher FAR. Prior to issuance of a building permit, GAC and the City shall agree upon GAC's obligation to monitor the cap and to implement a fallback plan if the cap has been exceeded after the second full year of occupancy. If the cap has been exceeded after the fourth full year of occupancy, GAC shall do one or more of the following: (1) Fund a shuttle program which connects the Redmond Campus to the Overlake Transit Center; (2) Increase existing employee subsidies for multi-rideshare; (3) Create a custom bus route; (4) Charge for parking; or (5) Such other program as GAC and the City agree. If the City and GAC cannot reach agreement to reduce trips on the Redmond Campus or from other developments in Overlake, or if GAC fails to implement one or more of the above programs, or if GAC implements the programs and fails to reduce trips to the number allowed by the trip cap the City may enforce this Agreement pursuant to authority granted to it by the Redmond Municipal Code, which shall include its authority to require partial vacation of the Redmond Campus to the extent required to meet the trip cap. Except as set out in this paragraph, GAC shall not be subject to other regulations which may be adopted as part of the BROTS/Overlake process. If an application for Phase III development is submitted to the City during the term of this Development Agreement, the trip cap, and the monitoring and enforcement provisions set forth in this paragraph shall continue in effect even if this Development Agreement has otherwise terminated in accordance with paragraph 3 unless one of the following occurs:

- (1) The trip cap provisions set out in this paragraph 4(c) of the Development Agreement are amended by the City of Redmond and GAC pursuant to paragraph 7;
- (2) Regulations are adopted by the City of Redmond which would allow a higher trip cap on the Redmond Campus in which case GAC shall be entitled to the higher trip cap; or
- (3) Regulations are adopted by the City of Redmond which would allow the FAR on the Redmond Campus after completion of Phase III without the requirement of a trip cap, in which case the trip cap, monitoring and enforcement provisions of this paragraph 4(c) shall terminate.

(d) **Concurrency.** An amended Certificate of Concurrency has been issued for Phase III in full satisfaction of all transportation concurrency requirements. A copy of the Certificate is attached hereto as Attachment D and incorporated herein as if set forth in full. Attachment D replaces and supersedes Attachment 3 to the original Development Agreement.

(e) **Development and Transportation Impact Fees.** Subject to the following, transportation impact fees for the City of Redmond, City of Bellevue and King County shall be paid in accordance with validly adopted impact fee ordinances in effect at the time of Phase III development. If a trip cap is imposed on Phase III development in accordance with paragraph 4(c) of this Development Agreement, transportation impact fees on development up to 356,890 square feet shall not be assessed on new development in excess of a Campus FAR of .47 unless a trip cap is imposed based upon a Campus FAR greater than .47. In that case, impact fees shall be assessed only on development up to that greater FAR. Transportation impact fees shall be paid on Phase III development in excess of 356,890 square feet in accordance with validly adopted impact fee ordinances in effect at the time of that development. GAC shall receive a credit against City of Redmond transportation impact fees attributable to Bellevue and King County improvements that are included in the Redmond impact fees to the extent those fees are paid to Bellevue or King County. Other development impact fees applicable to Phase III development, shall be assessed in accordance with the fee schedule in effect at the time of Phase III development.

(f) **Tree Retention.** The original Development Agreement required 23.8% of healthy significant trees on the Campus at the time the Development Agreement was executed to be retained after completion of Phase III. The percentage of actual healthy significant trees retained after completion of Phases I and II is approximately 25%. All of these trees are located outside of the Phase III development areas. Although the original Development Agreement depicted retention of twenty-one significant trees within the southwest portion of the Phase III development area, most of those trees were removed by WSDOT during interchange construction and the rest came down in 1997-1999 winter storms. In addition, in order to achieve a goal of 35% tree retention (although the City's tree retention ordinance had not yet been adopted) a bond was required as part of Phases I and II that would not be released until 134 trees planted as part of Phases I and II reached significant size. Subsequent to the execution of the Development Agreement, the bonded quantity was increased from 134 to 200 trees. These trees have all been planted. Because the tree retention requirements of the original Development Agreement have been met, there is no retention requirement for any trees located within the Phase III development area. Attachment 4 (Tree Retention Plan) to the original Development Agreement is no longer applicable and is not part of this amended Development Agreement.

(g) **SEPA Regulations and Policies.** The City has adopted a Planned Action for the Overlake area of the City that includes the Redmond Campus. Project level SEPA will nevertheless be required, unless the City of Bellevue waives this requirement. The City adopted SEPA regulations in Section 20F. of the 12/97 Redmond Community Development Guide, and substantive SEPA policies in Section 20F.30.240 as the basis for exercising substantive SEPA authority pursuant to Section 20F.30.230 and RCW 43.21C.060. Those SEPA regulations and designated substantive SEPA policies in effect as of May 27, 1998 shall apply to the City's review of all permits and approvals associated with Phase III, except that any amendments to the City's SEPA regulations adopted to implement the integration requirements of RCW 43.21C.110 shall apply to the development of Phase III.

Paragraph 5 of the Development Agreement titled "Filing of Development Application" is hereby deleted.

Paragraph 6 of the Development Agreement is hereby renumbered as paragraph 5 and amended as follows:

5. Site Plan Entitlement Review and Minor Modifications. Phase III will be subject to the site plan entitlement review process, building permit review and other applicable review processes. The final design of the buildings and other improvements, location of building footprints, location of utilities, determination of access points, and other design issues will be determined during that process and are part of this Agreement. As part of the site plan entitlement process the City may administratively approve minor modifications to the design and development standards set forth herein. The City reserves the right to require amendment of this Agreement as a condition of approving any of the following changes which are deemed to be major modifications:

- (a) A proposed change in land use;
- (b) An increase in the number of stories or height of any proposed building or other structure set out in this Development Agreement;
- (c) A proposal to change any of the development criteria applicable to Phase III as set out in this Development Agreement; and
- (d) Any increase in maximum total square footage for Phase III.

Paragraph 7 of the Development Agreement is hereby renumbered as paragraph 6 and amended as follows:

6. Recording; Assignment. This Development Agreement shall be recorded with the Real Property Records Division of the King County Records and Elections Department. This Development Agreement shall bind and inure to the benefit of the

parties and their successors in interest, and may be assigned to any successor in interest to GAC in the Redmond Campus property. Upon assignment and assumption of all obligations under this Development Agreement by the assignee, GAC shall be released from all obligations under this Development Agreement.

Paragraph 8 of the Development Agreement is hereby renumbered as paragraph 7 and amended as follows:

7. Modification. This amended Development Agreement may be modified only with the agreement of the Redmond City Council and GAC or its successors and assigns. If a modification of this Agreement is proposed, the City of Redmond shall give notice to the City of Bellevue at least thirty days prior to consideration of any such modification by the Redmond City Council.

Paragraph 9 of the Development Agreement, restated below, is hereby renumbered as paragraph 8:

8. Counterparts. This Development Agreement may be executed in counterparts each of which shall be deemed an original.

Except as expressly amended herein, all terms and conditions of the Development Agreement, as amended by the first amendment, remain in effect and binding upon the parties, their successors in interest and assigns.

Agreed this ____ day of _____, 2004.

CITY OF REDMOND

ATTEST:

By Rosemarie Ives
Its Mayor

Approved as to form:

James E. Haney
City Attorney

GENERAL AMERICA CORPORATION, Successor in Interest to SAFECO INSURANCE
COMPANY OF AMERICA

By _____
Its _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rosemarie Ives is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Mayor of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2004.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)
Notary public in and for the state of Washington,
residing at _____

My appointment expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Scott W. Owen is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Vice President of General America Corporation, a Washington corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2004.

(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington,
residing at _____

My appointment expires _____

1st Agreement

ATTACHMENT A

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDMOND AND SAFECO INSURANCE COMPANY OF AMERICA FOR DEVELOPMENT OF PHASE III OF THE REDMOND CAMPUS

Pursuant to the authority granted by RCW 36.70B.170 through .210, the City of Redmond, a Washington Optional Municipal Code City ("City"), and Safeco Insurance Company of America, a Washington corporation ("Safeco"), the owner of the real property known as the "Redmond Campus" described below, enter into the following agreement ("Development Agreement") to govern the development, use and mitigation of environmental impacts associated with the development of Phase III of the Redmond Campus through construction of the buildings and related improvements.

1. Location. The Redmond Campus consists of 46.13 acres located at the southwest corner of 156th Street N.E. and N.E. 51st Street in Redmond, King County, Washington, and is legally described on Attachment 1, which is incorporated herein as if set forth in full.

2. Redmond Campus Phased Development. The Redmond Campus is being developed in four phases. Phases I and II consist of the 147,835 square foot north office building with underground parking, the 139,031 square foot south office building, the 56,610 square foot data center, a 11,954 square foot cafeteria addition to the existing region building, underground parking for 793 cars, and parking garages F and G as depicted on Attachment 2 hereto, which is incorporated herein as if set forth in full. Phases I and II are currently being processed as SPR 97-038. Construction of Phases I and II will commence in approximately May, 1998 and is scheduled for completion in August, 2000. Phase III will consist of one office building of 271,190 square feet with two decks of underground parking, a second office building of 67,500 square feet with two decks of underground parking, a 14,000 square foot cafeteria, and a 4,200 square foot addition to the data center. The development envelopes for the Phase III improvements are depicted on Attachment 2 hereto. Phase IV may be developed at some indefinite time in the future, but is not encompassed within this Development Agreement.

3. Term of Agreement and Vesting. This Development Agreement and the zoning, building and development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies and other laws, statutes, ordinances or policies governing land development identified in this Development Agreement shall govern the development of Phase III so long as any application required for Phase III

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development, including an application for Site Plan Review (or if that process is no longer used, the equivalent review process at the time of development), is filed within six years of the date of this Development Agreement. Except as otherwise provided herein or by county, state or federally mandated laws preempting the City's authority to vest regulations to Phase III development under this Agreement, and excluding revisions to permit processing and plan review fees, any amendments or additions made during the term of this Development Agreement to zoning, building or development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies or other laws, statutes, ordinances, comprehensive plan policies or other policies governing land development which are identified in this Development Agreement as applicable to Phase III development shall not apply to or affect the conditions of Phase III development, provided that pursuant to RCW 36.70B.170(4) the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by a serious threat to public health and safety, as determined by the Redmond City Council after notice and an opportunity to be heard has been provided to Safeco.

4. Zoning, Development Regulations and Fees, Transportation Concurrency and SEPA. Subject to paragraph 6 of this Development Agreement, the following zoning regulations and development standards shall govern development of Phase III of the Redmond Campus during the term of this Development Agreement:

(a) **Zoning and Development Regulations.** The Redmond Campus is located in the Business Park zone. Except as set out in this Agreement, the zoning, building and development regulations, policies and ordinances, and comprehensive plan policies of the City governing land development in effect as of the date of this Development Agreement shall govern the development of Phase III.

(b) **Design and Development.** Phase III shall be subject to the Site Plan Review process. Phase III shall be limited to the number of new buildings and structures, square footage, and building stories and height as set out on Attachment 2. Phase III improvements will be located within the building envelopes set out on Attachment 2.

(c) **Overlake Trip Cap.** Draft regulations have been proposed as part of the update process for the Overlake Neighborhood which would require a trip cap if development on a site will exceed a FAR of .47. Safeco shall be required to cap the 4:00 to 6:00 PM Peak Hour Trips for the entire Redmond Campus at 1476 total PM Peak Hour Trips after completion of Phase III development, provided that if the City adopts regulations which allow a greater FAR, then the number of PM Peak Hour Trips allowed for the Redmond Campus shall be the greater number of PM Peak Hour Trips attributable

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to the higher FAR. Prior to issuance of a building permit, Safeco and the City shall agree upon Safeco's obligation to monitor the cap and to implement a fallback plan if the cap has been exceeded after the second full year of occupancy. If the cap has been exceeded after the fourth full year of occupancy, Safeco shall do one or more of the following: (1) Fund a shuttle program which connects the Safeco Campus to the Overlake Transit Center; (2) Increase existing employee subsidies for multi-rideshare; (3) Create a custom bus route; (4) Charge for parking; or (5) Such other program as Safeco and the City agree. If the City and Safeco cannot reach agreement to reduce trips on the Redmond Campus or from other developments in Overlake, or if Safeco fails to implement one or more of the above programs, or if Safeco implements the programs and fails to reduce trips to the number allowed by the trip cap the City may enforce this Agreement pursuant to authority granted to it by the Redmond Municipal Code, which shall include its authority to require partial vacation of the Safeco Campus to the extent required to meet the trip cap. Except as set out in this paragraph, Safeco shall not be subject to other regulations which may be adopted as part of the BROTS/Overlake process. If an application for Phase III development is submitted to the City during the term of this Development Agreement, the trip cap, and the monitoring and enforcement provisions set forth in this paragraph shall continue in effect even if this Development Agreement has otherwise terminated in accordance with paragraph 3 unless one of the following occurs:

- (1) The trip cap provisions set out in this paragraph 4(c) of the Development Agreement are amended by the City of Redmond and Safeco pursuant to paragraph 8;
- (2) Regulations are adopted by the City of Redmond which would allow a higher trip cap on the Safeco Campus in which case Safeco shall be entitled to the higher trip cap; or
- (3) Regulations are adopted by the City of Redmond which would allow the FAR on the Safeco Campus after completion of Phase III without the requirement of a trip cap, in which case the trip cap, monitoring and enforcement provisions of this paragraph 4(c) shall terminate.

(d) **Concurrency.** A Certificate of Concurrency has been issued for Phase III in full satisfaction of all transportation concurrency requirements. A copy of the Certificate is attached hereto as Attachment 3 and incorporated herein as if set forth in full.

(e) **Development and Transportation Impact Fees.** Subject to the following, transportation impact fees for the City of Redmond, City of Bellevue and King County shall be paid in accordance with validly adopted impact fee ordinances in effect at the time of Phase III development. If a trip cap is imposed on Phase III development in accordance

with paragraph 4(c) of this Development Agreement, transportation impact fees shall be assessed only for new development up to a FAR of .47, or if a trip cap is imposed based upon a FAR greater than .47 impact fees shall be assessed only on new development up to that greater FAR. Safeco shall receive a credit against City of Redmond transportation impact fees attributable to Bellevue and King County improvements that are included in the Redmond impact fees to the extent those fees are paid to Bellevue or King County. Development impact fees shall be assessed in the amounts shown below, less any credits due under existing ordinances:

Redmond Fire	\$0.081/GSF
Redmond Parks	\$0.389/GSF

The City of Redmond fire and park development impact fees shall be adjusted for inflation commencing from the date of this Development Agreement based upon the construction cost index (Engineering News Record) using the index published closest to the date of this Development Agreement, and the index published closest to the date of payment of the fee.

(f) **Tree Retention.** Fifty-four and 6/10 per cent (54.6%) of the significant trees (healthy trees of 6" caliper or greater) existing on the Redmond Campus at the time of development of Phase III (after development of Phases I and II) will be retained for the Phase III development as depicted on the tree retention plan attached hereto as Attachment 4, and by this reference incorporated herein as if set forth in full. This equates to retention of twenty-three and 8/10 per cent (23.8%) of significant trees (healthy trees of 6" caliper or greater) located on the Redmond Campus as of the date of this Development Agreement. In order to attain a retention rate of thirty five per cent (35%) of the significant trees (healthy trees of 6" caliper or greater) existing on the Redmond Campus as of the date of this Development Agreement for Phase III, Safeco shall be required to post a performance bond as part of Phases I and II development approval which shall not be released until one-hundred-thirty-four (134) trees planted as part of Phases I and II have reached significant size (6" caliper or greater). This tree retention plan satisfies all tree retention development regulations and administrative interpretations, and constitutes compliance with all SEPA policies associated with Phase III development for tree retention.

(g) **SEPA Regulations and Policies.** Phase III development shall be subject to project level SEPA review. In the event that the City adopts a Planned Action for an area of the City that includes the Redmond Campus, the City and Safeco agree to nonetheless conduct SEPA review, unless the City of Redmond and the City of Bellevue waive this requirement. The City has adopted SEPA regulations in Section 20F. of the 12/97 Redmond Community Development Guide, and substantive SEPA policies in

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Section 20F.30.240 as the basis for exercising substantive SEPA authority pursuant to Section 20F.30.230 and RCW 43.21C.060. The SEPA regulations and designated substantive SEPA policies in effect as of the date of this Development Agreement shall apply to the City's review of all permits and approvals associated with Phase III, except that any amendments to the City's SEPA regulations adopted to implement the integration requirements of RCW 43.21C.110 shall apply to the development of Phase III. If, at the time Phase III permit applications are submitted to the City, negotiations between the City of Redmond and the City of Bellevue have not resulted in an adopted impact fee ordinance which address transportation impacts in the Overlake area which impact Bellevue, Bellevue can exercise its comment opportunities and other recourse under SEPA.

5. Filing of Development Application. The filing of any development application for Phase III, including site plan review, shall not be allowed prior to December 31, 1998.

6. Site Plan Review and Minor Modifications. Phase III will be subject to Site Plan Review (SPR), building permit review and other applicable review processes. The final design of the buildings and other improvements, precise location of building footprints, location of utilities, determination of access points, and other design issues will be determined during that process and are part of this Agreement. As part of the SPR process the City may administratively approve minor modifications to the design and development standards set forth herein. The City reserves the right to require amendment of this Agreement as a condition of approving any of the following changes which are deemed to be major modifications:

- (a) A proposed change in land use;
- (b) A change of more than thirty (30) feet in any direction of any proposed building envelope as set out on Attachment 2;
- (c) An increase in square footage of more than five per cent (5%) of any proposed building or other structure;
- (d) An increase in the number of stories or height of any proposed building or other structure;
- (e) A decrease in the number of existing significant trees retained as part of Phase III of more than two and one-half per cent (2½ %);
- (f) A proposal to change any of the development criteria applicable to Phase III as set out in this Development Agreement; and
- (g) Any increase in total square footage for Phase III.

7. Recording; Assignment. This Development Agreement shall be recorded with the Real Property Records Division of the King County Records and Elections Department. This Development Agreement shall bind and inure to the benefit of the parties and their

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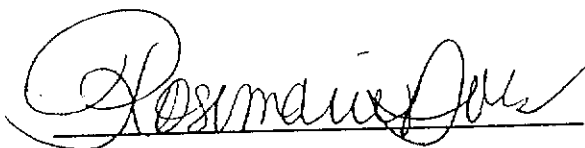
successors in interest, and may be assigned to any successor in interest to the Safeco Property. Upon assignment and assumption of all obligations under this Development Agreement by the assignee, Safeco shall be released from all obligations under this Development Agreement.

8. Modification. This Development Agreement may be modified only with the agreement of the Redmond City Council and Safeco or its successors and assigns. If a modification of this Agreement is proposed, the City of Redmond shall give notice to the City of Bellevue at least thirty days prior to consideration of any such modification by the Redmond City Council.

9. Counterparts. This Development Agreement may be executed in counterparts each of which shall be deemed an original.

Agreed this 27 day of May, 1998.

CITY OF REDMOND

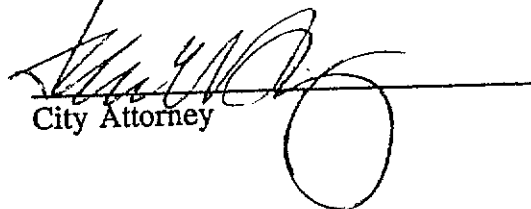


By Rosemarie Ives
Its Mayor

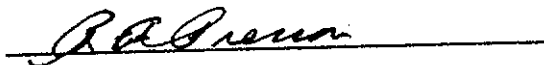
ATTEST:

Bonnie Hutton
Cty. Clerk

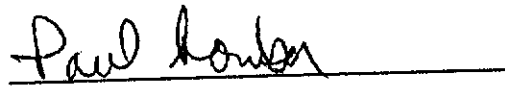
Approved as to form:


City Attorney

SAFECO INSURANCE COMPANY OF AMERICA



By Rod Pierson
Its Senior Vice President



By Paul Lowber
Its Assistant Secretary

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rosemarie Ives is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Mayor of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 27 day of May, 1998.

Bonnie Mattson

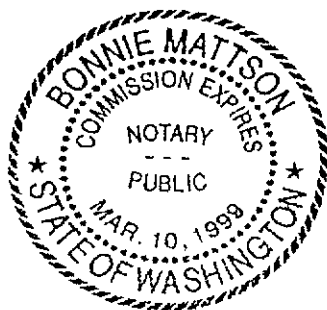
(Signature of Notary)

Bonnie Mattson

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Redmond

My appointment expires 3/10/99

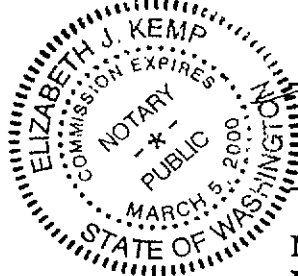


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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Paul Lowber is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Assistant Secretary of Safeco Insurance Company of America, a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 8 day of MAY, 1998.



[Signature]
(Signature of Notary)

ELIZABETH J KEMP
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at King Co

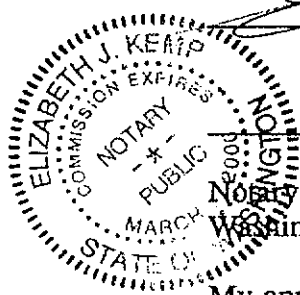
My appointment expires 3-5-00

9808200229

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rod Pierson is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Senior Vice President of Safeco Insurance Company of America, a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 8 day of MAY, 1998.



[Signature]
(Signature of Notary)

ELIZABETH J KEMP
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at King Co

My appointment expires 3-5-00

9808200229

ATTACHMENT 1

LEGAL DESCRIPTION OF REDMOND CAMPUS

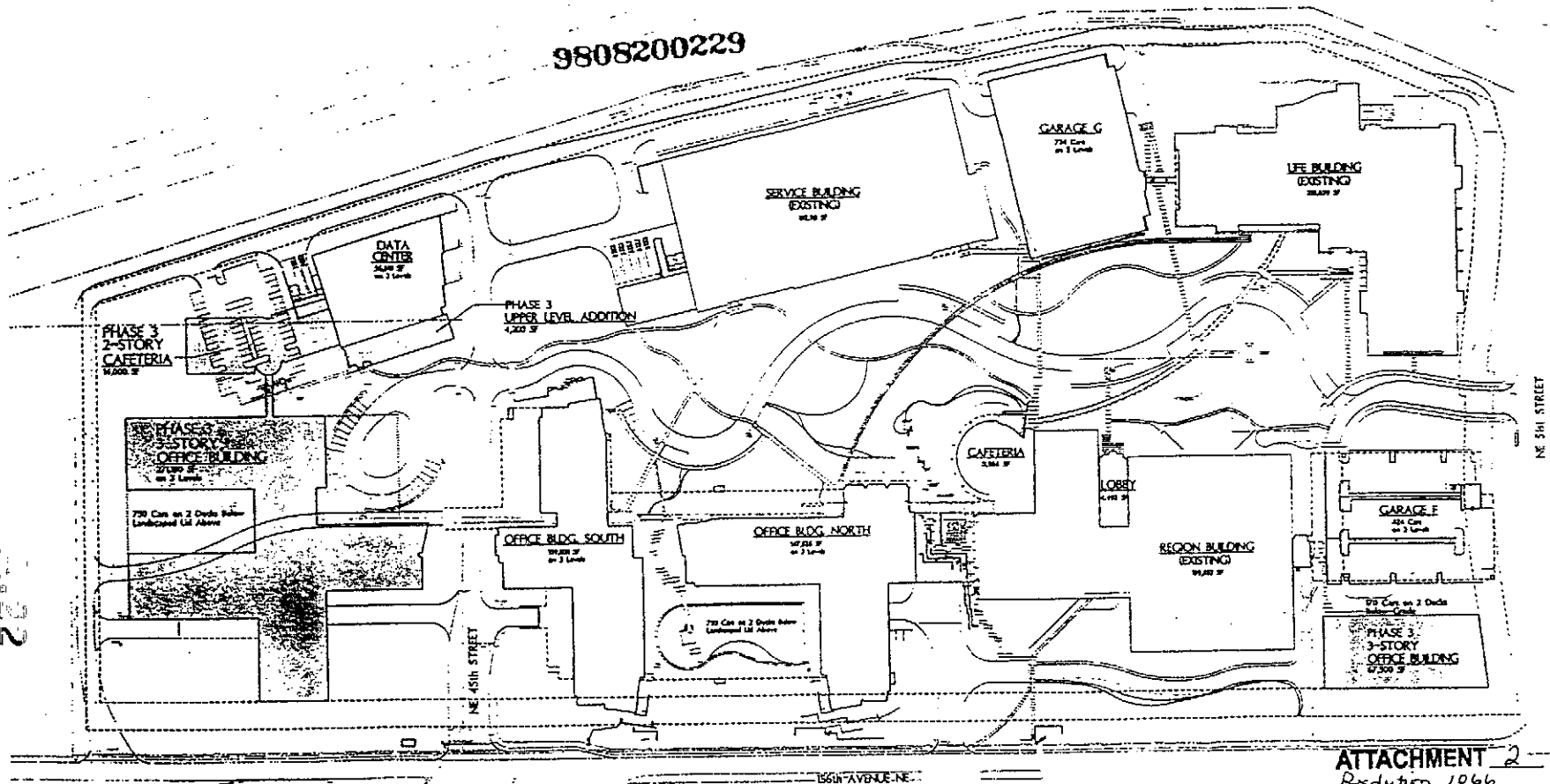
LOT 1, SAFECO REDMOND CAMPUS, ACCORDING TO THE BINDING SITE PLAN THEREOF RECORDED IN VOLUME 155 OF PLATS, PAGES 44 THROUGH 46, RECORDS OF KING COUNTY, WASHINGTON.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

LOT 2, SAFECO REDMOND CAMPUS, ACCORDING TO THE BINDING SITE PLAN THEREOF RECORDED IN VOLUME 155 OF PLATS, PAGES 44 THROUGH 46 ON FEBRUARY 12, 1991 UNDER AUDITORS FILE NO. 9102120454, RECORDS OF KING COUNTY, WASHINGTON.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M., IN KING COUNTY, WASHINGTON, LYING EAST OF THE SR 520, AS DEEDED TO STATE OF WASHINGTON, BY DEED RECORDED OCTOBER 28, 1971 UNDER RECORDING NO. 7110280156.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M., IN KING COUNTY, WASHINGTON;
EXCEPT THE SOUTH 100 FEET;
AND EXCEPT THE EAST 42 FEET AS CONVEYED FOR ROAD PURPOSES BY DEEDS RECORDED UNDER KING COUNTY RECORDING NOS. 6143390 AND 8311020028.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

9808200229



NE 5th STREET

SITE PLAN - PHASE III PROPOSED DEVELOPMENT

NOTE: 3-Story Building height not to exceed 45'.

ATTACHMENT 2

Reduction 1066

SAFECO-REDMOND

ZIMMER GUNSL FRASCA PARTNERS P

18 FEBRUARY 1996



ATTACHMENT 3

THE CITY OF REDMOND
PUBLIC WORKS DEPARTMENT

CERTIFICATE OF CONCURRENCY

This Certificate confirms that the transportation concurrency requirement for the proposed development described below has been satisfied pursuant to the conditions contained in this Certificate.

1. Applicant name and address: Safeco Insurance Company of America, Safeco Plaza, Seattle, WA 98185
2. Property location:
- a. Property address: 154 NE 51st Street, 4909 156th Ave NE, and 4301 156th Ave NE, Redmond, WA
 - b. Development name: Safeco Campus Expansion, Phase 3
 - c. Assessor's Parcel Number: 750310-0020-01, 750310-0010-03, 142505-9138-06, and 142505-9102-08
 - d. Section, Township, Range: Section 14, Township 25 North, Range 5 East
3. Type of development permit to be requested: Development Agreement, Site Plan Review, and Building Permit
4. Proposed land use: Office campus
5. This Certificate applies to the following development units:
Commercial project - Number of buildings, total square feet: Up to 4 buildings totaling 356,892 sq. ft.,
with 338,692 sq. ft. office, 14,000 sq. ft. for a cafeteria, and 4200 sq. ft. added to the data center.
6. This Certificate is only an indication that there is adequate vehicular capacity on the City of Redmond street network to support the traffic forecasted to be generated by the development described above. This Certificate implies no other approvals of land use, site design or code compliance. It is subject to the following general conditions:
- a. This Certificate runs with the land, therefore, it is transferable only to subsequent owners of the same property, subject to the terms, conditions, and expiration date listed herein. This Certificate is not transferable to any other property, except upon approval of the Director of Planning and Community Development.
 - b. If this Certificate of Concurrency expires before a complete Development Application is submitted to the City of Redmond, the developer must wait fourteen days before submitting another Certificate of Concurrency request for the same development.
 - c. This Certificate of Concurrency shall expire if the Development Agreement for Phase 3 is not approved by City Council or if it expires, or if the Development Application submitted under that Agreement expires.
7. ☒ Specific conditions are described on the reverse side.

This original Certificate of Concurrency must be submitted as part of a complete Development Application package. Copies of the Certificate will not be accepted.



Transportation Development Administrator

Type of Certificate:
☒ Original
☐ Transfer
☐ Replacement

Date issued: 4-8-98

Expiration date: See 6.c above.

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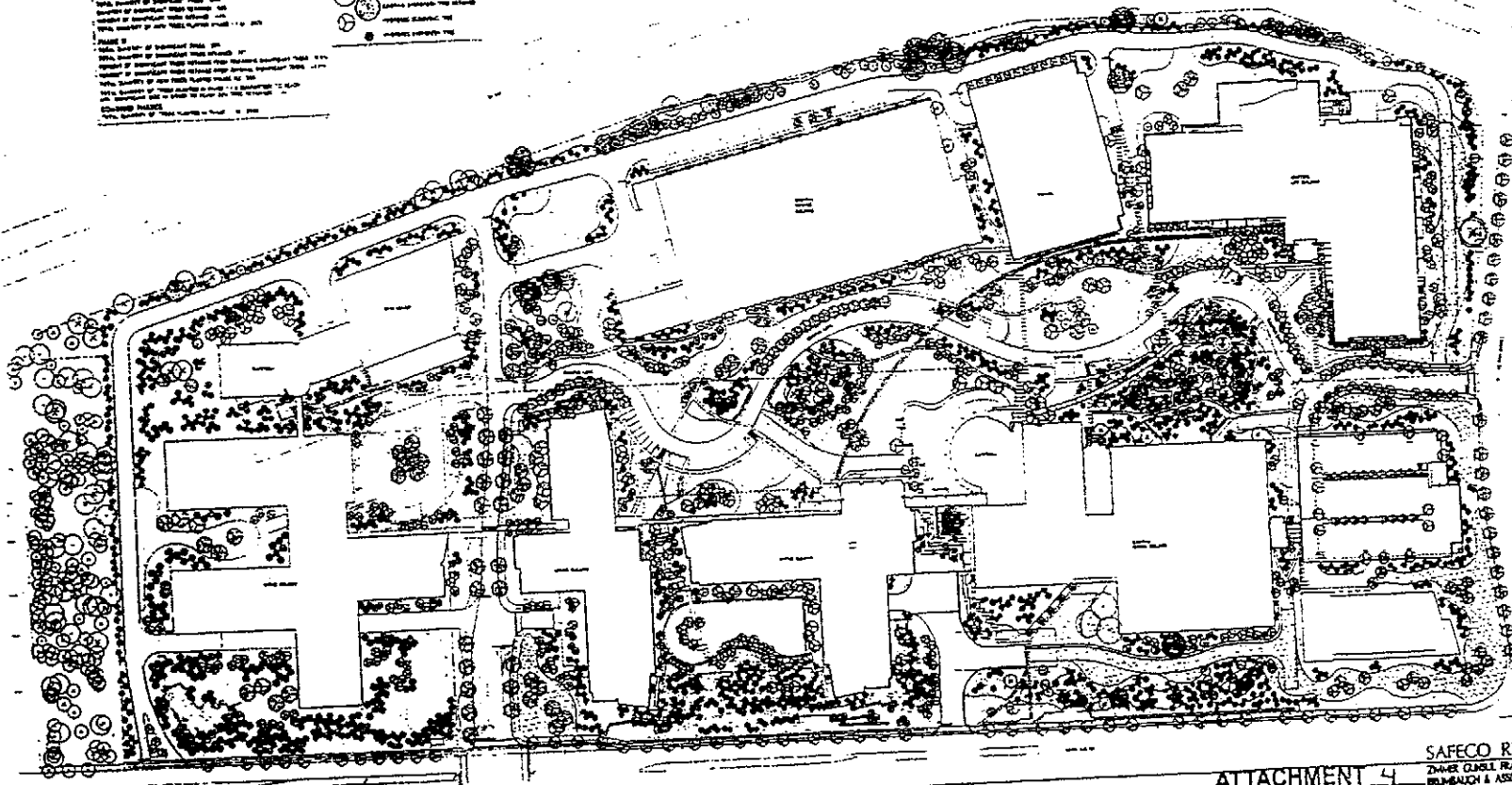
TREE CALCULATIONS

PLANT 1.1.1
 Total Number of Significant Trees: 100
 Number of Significant Trees to Retain: 40
 Number of Significant Trees to Remove: 60
 Total Number of Significant Trees: 100

PLANT 1.1.2
 Total Number of Significant Trees: 100
 Number of Significant Trees to Retain: 40
 Number of Significant Trees to Remove: 60
 Total Number of Significant Trees: 100
 Number of Significant Trees to Retain: 40
 Number of Significant Trees to Remove: 60
 Total Number of Significant Trees: 100

TREE LEGEND

- (X) Existing Significant Trees
- (O) Existing Non-Significant Trees
- (●) Proposed Significant Trees
- (○) Proposed Non-Significant Trees



TREE RETENTION PLAN

ATTACHMENT 4
 Resubmittal 1006
 SAFECO REDMOND
 DAVEN CONSTRUCTION PARTNERSHIP
 BRUNSON & ASSOCIATES

1st Amendment

ATTACHMENT B

AMENDMENT TO

DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDMOND AND SAFECO INSURANCE COMPANY OF AMERICA FOR DEVELOPMENT OF PHASE III OF THE REDMOND CAMPUS

The City of Redmond, a Washington Optional Municipal Code City ("City"), and General America Corporation, a Washington corporation ("GAC"), the successor in interest to Safeco Insurance Company of America, a Washington corporation ("Safeco"), as owner of the real property known as the Redmond Campus, hereby enter into the following amendment to the Development Agreement dated May 27, 1998, and recorded under recording number 9808200229, governing the development of the Redmond Campus, a copy of which is attached hereto.

Attachment 1 to the Development Agreement, referenced in paragraph 1 set forth below, is hereby amended to reflect the change in legal description of the Redmond Campus due to approval by the City of the binding site plan for the Campus. Attachment 1, as amended, is appended hereto and by this reference incorporated herein as if set forth in full.

1. Location. The Redmond Campus consists of 46.13 acres located at the southwest corner of 156th Street N.E. and N.E. 51st Street in Redmond, King County, Washington, and is legally described on Attachment 1, which is incorporated herein as if set forth in full.

Paragraph 3 of the Development Agreement is hereby amended as follows to reflect the extension of the term of the Development Agreement:

3. Term of Agreement and Vesting. This Development Agreement and the zoning, building and development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies and other laws, statutes, ordinances or policies governing land development identified in this Development Agreement shall govern the development of Phase III so long as any application required for Phase III development, including an application for Site Plan Review (or if that process is no longer used, the equivalent review process at the time of development), is filed on or before May 27, 2005. Except as otherwise provided herein or by county, state or federally mandated laws preempting the City's authority to vest regulations to Phase III development under this Agreement, and excluding revisions to permit processing and plan review fees, any amendments or additions made during the term of this Development Agreement to zoning, building or development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies or other laws, statutes, ordinances, comprehensive plan policies or other policies governing land development which are identified in this Development


Agreement as applicable to Phase III development shall not apply to or affect the conditions of Phase III development, provided that pursuant to RCW 36.70B.170(4) the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by a serious threat to public health and safety, as determined by the Redmond City Council after notice and an opportunity to be heard has been provided to Safeco.

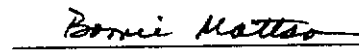
Except as expressly amended herein, all terms and conditions of the Development Agreement remain in effect and binding upon the parties, their successors in interest and assigns.

Agreed this 10 day of February, 2004.

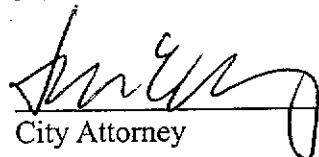
CITY OF REDMOND

ATTEST:

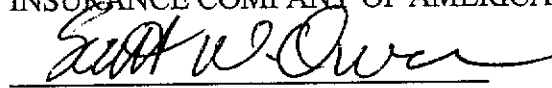

By Rosemarie Ives, Mayor


Bonnie Mattson, City Clerk

APPROVED AS TO FORM:


City Attorney

GENERAL AMERICA CORPORATION, Successor in Interest to SAFECO
INSURANCE COMPANY OF AMERICA


By Scott Owen, General America Corporation
Its Vice President

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rosemarie Ives is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Mayor of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 10 day of February, 2004.

Bonnie Mattson

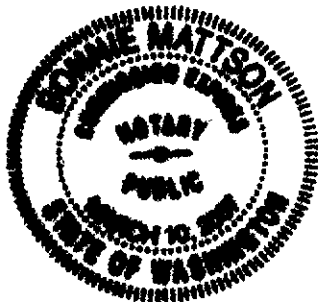
(Signature of Notary)

Bonnie MATTSON

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Redmond, WA

My appointment expires 03/10/07



STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Scott W. Owen is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Vice President of General America Corporation, a Washington corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

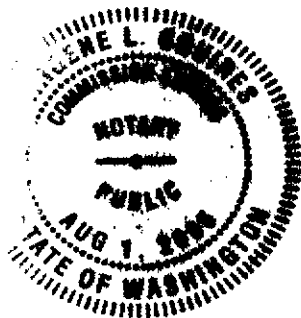
Dated this 30th day of January, 2004.

Margene L. Squires
(Signature of Notary)

MARGENE L. SQUIRES
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at King County

My appointment expires 8-1-05



**DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDMOND AND
SAFECO INSURANCE COMPANY OF AMERICA FOR DEVELOPMENT OF
PHASE III OF THE REDMOND CAMPUS**

Pursuant to the authority granted by RCW 36.70B.170 through .210, the City of Redmond, a Washington Optional Municipal Code City ("City"), and Safeco Insurance Company of America, a Washington corporation ("Safeco"), the owner of the real property known as the "Redmond Campus" described below, enter into the following agreement ("Development Agreement") to govern the development, use and mitigation of environmental impacts associated with the development of Phase III of the Redmond Campus through construction of the buildings and related improvements.

- 9808200229
1. Location. The Redmond Campus consists of 46.13 acres located at the southwest corner of 156th Street N.E. and N.E. 51st Street in Redmond, King County, Washington, and is legally described on Attachment 1, which is incorporated herein as if set forth in full.
 2. Redmond Campus Phased Development. The Redmond Campus is being developed in four phases. Phases I and II consist of the 147,835 square foot north office building with underground parking, the 139,031 square foot south office building, the 56,610 square foot data center, a 11,954 square foot cafeteria addition to the existing region building, underground parking for 793 cars, and parking garages F and G as depicted on Attachment 2 hereto, which is incorporated herein as if set forth in full. Phases I and II are currently being processed as SPR 97-038. Construction of Phases I and II will commence in approximately May, 1998 and is scheduled for completion in August, 2000. Phase III will consist of one office building of 271,190 square feet with two decks of underground parking, a second office building of 67,500 square feet with two decks of underground parking, a 14,000 square foot cafeteria, and a 4,200 square foot addition to the data center. The development envelopes for the Phase III improvements are depicted on Attachment 2 hereto. Phase IV may be developed at some indefinite time in the future, but is not encompassed within this Development Agreement.
 3. Term of Agreement and Vesting. This Development Agreement and the zoning, building and development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies and other laws, statutes, ordinances or policies governing land development identified in this Development Agreement shall govern the development of Phase III so long as any application required for Phase III

9808200229

development, including an application for Site Plan Review (or if that process is no longer used, the equivalent review process at the time of development), is filed within six years of the date of this Development Agreement. Except as otherwise provided herein or by county, state or federally mandated laws preempting the City's authority to vest regulations to Phase III development under this Agreement, and excluding revisions to permit processing and plan review fees, any amendments or additions made during the term of this Development Agreement to zoning, building or development regulations, transportation concurrency regulations, impact fees, SEPA regulations and substantive SEPA policies or other laws, statutes, ordinances, comprehensive plan policies or other policies governing land development which are identified in this Development Agreement as applicable to Phase III development shall not apply to or affect the conditions of Phase III development, provided that pursuant to RCW 36.70B.170(4) the City reserves authority to impose new or different officially adopted regulations of general applicability, but only if, and to the extent required by a serious threat to public health and safety, as determined by the Redmond City Council after notice and an opportunity to be heard has been provided to Safeco.

4. Zoning, Development Regulations and Fees, Transportation Concurrency and SEPA. Subject to paragraph 6 of this Development Agreement, the following zoning regulations and development standards shall govern development of Phase III of the Redmond Campus during the term of this Development Agreement:

(a) **Zoning and Development Regulations.** The Redmond Campus is located in the Business Park zone. Except as set out in this Agreement, the zoning, building and development regulations, policies and ordinances, and comprehensive plan policies of the City governing land development in effect as of the date of this Development Agreement shall govern the development of Phase III.

(b) **Design and Development.** Phase III shall be subject to the Site Plan Review process. Phase III shall be limited to the number of new buildings and structures, square footage, and building stories and height as set out on Attachment 2. Phase III improvements will be located within the building envelopes set out on Attachment 2.

(c) **Overlake Trip Cap.** Draft regulations have been proposed as part of the update process for the Overlake Neighborhood which would require a trip cap if development on a site will exceed a FAR of .47. Safeco shall be required to cap the 4:00 to 6:00 PM Peak Hour Trips for the entire Redmond Campus at 1476 total PM Peak Hour Trips after completion of Phase III development, provided that if the City adopts regulations which allow a greater FAR, then the number of PM Peak Hour Trips allowed for the Redmond Campus shall be the greater number of PM Peak Hour Trips attributable

9808200229

to the higher FAR. Prior to issuance of a building permit, Safeco and the City shall agree upon Safeco's obligation to monitor the cap and to implement a fallback plan if the cap has been exceeded after the second full year of occupancy. If the cap has been exceeded after the fourth full year of occupancy, Safeco shall do one or more of the following: (1) Fund a shuttle program which connects the Safeco Campus to the Overlake Transit Center; (2) Increase existing employee subsidies for multi-rideshare; (3) Create a custom bus route; (4) Charge for parking; or (5) Such other program as Safeco and the City agree. If the City and Safeco cannot reach agreement to reduce trips on the Redmond Campus or from other developments in Overlake, or if Safeco fails to implement one or more of the above programs, or if Safeco implements the programs and fails to reduce trips to the number allowed by the trip cap the City may enforce this Agreement pursuant to authority granted to it by the Redmond Municipal Code, which shall include its authority to require partial vacation of the Safeco Campus to the extent required to meet the trip cap. Except as set out in this paragraph, Safeco shall not be subject to other regulations which may be adopted as part of the BROTS/Overlake process. If an application for Phase III development is submitted to the City during the term of this Development Agreement, the trip cap, and the monitoring and enforcement provisions set forth in this paragraph shall continue in effect even if this Development Agreement has otherwise terminated in accordance with paragraph 3 unless one of the following occurs:

- (1) The trip cap provisions set out in this paragraph 4(c) of the Development Agreement are amended by the City of Redmond and Safeco pursuant to paragraph 8;
- (2) Regulations are adopted by the City of Redmond which would allow a higher trip cap on the Safeco Campus in which case Safeco shall be entitled to the higher trip cap; or
- (3) Regulations are adopted by the City of Redmond which would allow the FAR on the Safeco Campus after completion of Phase III without the requirement of a trip cap, in which case the trip cap, monitoring and enforcement provisions of this paragraph 4(c) shall terminate.

(d) **Concurrency.** A Certificate of Concurrency has been issued for Phase III in full satisfaction of all transportation concurrency requirements. A copy of the Certificate is attached hereto as Attachment 3 and incorporated herein as if set forth in full.

(e) **Development and Transportation Impact Fees.** Subject to the following, transportation impact fees for the City of Redmond, City of Bellevue and King County shall be paid in accordance with validly adopted impact fee ordinances in effect at the time of Phase III development. If a trip cap is imposed on Phase III development in accordance

with paragraph 4(c) of this Development Agreement, transportation impact fees shall be assessed only for new development up to a FAR of .47, or if a trip cap is imposed based upon a FAR greater than .47 impact fees shall be assessed only on new development up to that greater FAR. Safeco shall receive a credit against City of Redmond transportation impact fees attributable to Bellevue and King County improvements that are included in the Redmond impact fees to the extent those fees are paid to Bellevue or King County. Development impact fees shall be assessed in the amounts shown below, less any credits due under existing ordinances:

Redmond Fire	\$0.081/GSF
Redmond Parks	\$0.389/GSF

The City of Redmond fire and park development impact fees shall be adjusted for inflation commencing from the date of this Development Agreement based upon the construction cost index (Engineering News Record) using the index published closest to the date of this Development Agreement, and the index published closest to the date of payment of the fee.

(f) **Tree Retention.** Fifty-four and 6/10 per cent (54.6%) of the significant trees (healthy trees of 6" caliper or greater) existing on the Redmond Campus at the time of development of Phase III (after development of Phases I and II) will be retained for the Phase III development as depicted on the tree retention plan attached hereto as Attachment 4, and by this reference incorporated herein as if set forth in full. This equates to retention of twenty-three and 8/10 per cent (23.8%) of significant trees (healthy trees of 6" caliper or greater) located on the Redmond Campus as of the date of this Development Agreement. In order to attain a retention rate of thirty five per cent (35%) of the significant trees (healthy trees of 6" caliper or greater) existing on the Redmond Campus as of the date of this Development Agreement for Phase III, Safeco shall be required to post a performance bond as part of Phases I and II development approval which shall not be released until one-hundred-thirty-four (134) trees planted as part of Phases I and II have reached significant size (6" caliper or greater). This tree retention plan satisfies all tree retention development regulations and administrative interpretations, and constitutes compliance with all SEPA policies associated with Phase III development for tree retention.

(g) **SEPA Regulations and Policies.** Phase III development shall be subject to project level SEPA review. In the event that the City adopts a Planned Action for an area of the City that includes the Redmond Campus, the City and Safeco agree to nonetheless conduct SEPA review, unless the City of Redmond and the City of Bellevue waive this requirement. The City has adopted SEPA regulations in Section 20F. of the 12/97 Redmond Community Development Guide, and substantive SEPA policies in

9808200229

Section 20F.30.240 as the basis for exercising substantive SEPA authority pursuant to Section 20F.30.230 and RCW 43.21C.060. The SEPA regulations and designated substantive SEPA policies in effect as of the date of this Development Agreement shall apply to the City's review of all permits and approvals associated with Phase III, except that any amendments to the City's SEPA regulations adopted to implement the integration requirements of RCW 43.21C.110 shall apply to the development of Phase III. If, at the time Phase III permit applications are submitted to the City, negotiations between the City of Redmond and the City of Bellevue have not resulted in an adopted impact fee ordinance which address transportation impacts in the Overlake area which impact Bellevue, Bellevue can exercise its comment opportunities and other recourse under SEPA.

5. Filing of Development Application. The filing of any development application for Phase III, including site plan review, shall not be allowed prior to December 31, 1998.

6. Site Plan Review and Minor Modifications. Phase III will be subject to Site Plan Review (SPR), building permit review and other applicable review processes. The final design of the buildings and other improvements, precise location of building footprints, location of utilities, determination of access points, and other design issues will be determined during that process and are part of this Agreement. As part of the SPR process the City may administratively approve minor modifications to the design and development standards set forth herein. The City reserves the right to require amendment of this Agreement as a condition of approving any of the following changes which are deemed to be major modifications:

- (a) A proposed change in land use;
- (b) A change of more than thirty (30) feet in any direction of any proposed building envelope as set out on Attachment 2;
- (c) An increase in square footage of more than five per cent (5%) of any proposed building or other structure;
- (d) An increase in the number of stories or height of any proposed building or other structure;
- (e) A decrease in the number of existing significant trees retained as part of Phase III of more than two and one-half per cent (2½ %);
- (f) A proposal to change any of the development criteria applicable to Phase III as set out in this Development Agreement; and
- (g) Any increase in total square footage for Phase III.

7. Recording; Assignment. This Development Agreement shall be recorded with the Real Property Records Division of the King County Records and Elections Department. This Development Agreement shall bind and inure to the benefit of the parties and their

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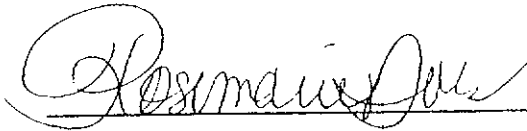
successors in interest, and may be assigned to any successor in interest to the Safeco Property. Upon assignment and assumption of all obligations under this Development Agreement by the assignee, Safeco shall be released from all obligations under this Development Agreement.

8. Modification. This Development Agreement may be modified only with the agreement of the Redmond City Council and Safeco or its successors and assigns. If a modification of this Agreement is proposed, the City of Redmond shall give notice to the City of Bellevue at least thirty days prior to consideration of any such modification by the Redmond City Council.

9. Counterparts. This Development Agreement may be executed in counterparts each of which shall be deemed an original.

Agreed this 27 day of May, 1998.

CITY OF REDMOND

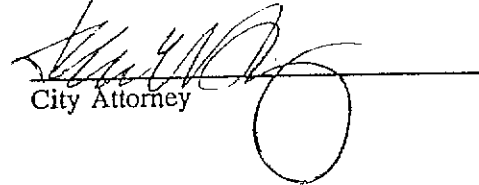


By Rosemarie Ives
Its Mayor

ATTEST:

Bonnie Hutton
City Clerk

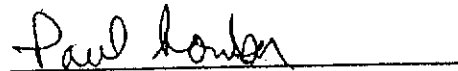
Approved as to form:


City Attorney

SAFECO INSURANCE COMPANY OF AMERICA



By Rod Pierson
Its Senior Vice President



By Paul Lowber
Its Assistant Secretary

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rosemarie Ives is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Mayor of the City of Redmond to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 27 day of May, 1998.

Bonnie Mattson

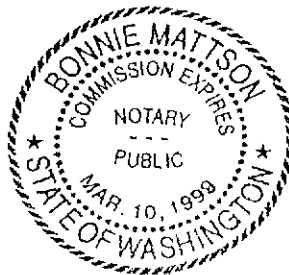
(Signature of Notary)

Bonnie Mattson

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Redmond

My appointment expires 3/10/99

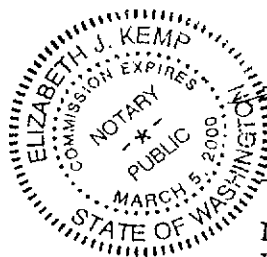


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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Paul Lowber is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Assistant Secretary of Safeco Insurance Company of America, a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 8 day of MAY, 1998.



[Signature]
(Signature of Notary)

ELIZABETH J KEMP
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at King Co

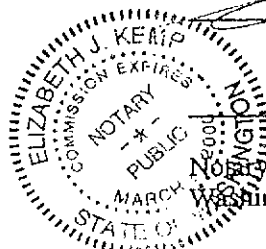
My appointment expires 3-5-00

9808200229

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rod Pierson is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument, and acknowledged it as the Senior Vice President of Safeco Insurance Company of America, a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 8 day of MAY, 1998.



[Signature]
(Signature of Notary)

ELIZABETH J KEMP
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at King Co

My appointment expires 3-5-00

9808200229

9808200229

ATTACHMENT 1

LEGAL DESCRIPTION OF REDMOND CAMPUS

LOT 1, SAFECO REDMOND CAMPUS, ACCORDING TO THE BINDING SITE PLAN THEREOF RECORDED IN VOLUME 155 OF PLATS, PAGES 44 THROUGH 46, RECORDS OF KING COUNTY, WASHINGTON.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

LOT 2, SAFECO REDMOND CAMPUS, ACCORDING TO THE BINDING SITE PLAN THEREOF RECORDED IN VOLUME 155 OF PLATS, PAGES 44 THROUGH 46 ON FEBRUARY 12, 1991 UNDER AUDITORS FILE NO. 9102120454, RECORDS OF KING COUNTY, WASHINGTON.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M., IN KING COUNTY, WASHINGTON, LYING EAST OF THE SR 520, AS DEEDED TO STATE OF WASHINGTON, BY DEED RECORDED OCTOBER 28, 1971 UNDER RECORDING NO. 7110280156.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 25 NORTH, RANGE 5 EAST W.M., IN KING COUNTY, WASHINGTON;
EXCEPT THE SOUTH 100 FEET;
AND EXCEPT THE EAST 42 FEET AS CONVEYED FOR ROAD PURPOSES BY DEEDS RECORDED UNDER KING COUNTY RECORDING NOS. 6143390 AND 8311020028.
SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.

Resolution 1066



ATTACHMENT 3

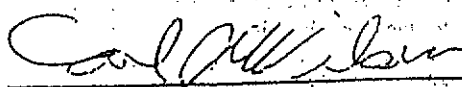
THE CITY OF REDMOND
PUBLIC WORKS DEPARTMENT

CERTIFICATE OF CONCURRENCY

This Certificate confirms that the transportation concurrency requirement for the proposed development described below has been satisfied pursuant to the conditions contained in this Certificate.

- 9808200229
1. Applicant name and address: Safeco Insurance Company of America, Safeco Plaza, Seattle, WA 98135
 2. Property location:
 - a. Property address: 154 NE 31st Street, 4909 156th Ave NE, and 4301 156th Ave NE, Redmond, WA
 - b. Development name: Safeco Campus Expansion, Phase 3
 - c. Assessor's Parcel Number: 750310-0020-01, 750310-0010-03, 142505-9138-06, and 142505-9102-08
 - d. Section, Township, Range: Section 14, Township 25 North, Range 5 East
 3. Type of development permit to be requested: Development Agreement, Site Plan Review, and Building Permit
 4. Proposed land use: Office campus
 5. This Certificate applies to the following development units:
Commercial project - Number of buildings, total square feet: Up to 4 buildings totaling 356,892 sq. ft.,
with 338,692 sq. ft. office, 14,000 sq. ft. for a cafeteria, and 4200 sq. ft. added to the data center.
 6. This Certificate is only an indication that there is adequate vehicular capacity on the City of Redmond street network to support the traffic forecasted to be generated by the development described above. This Certificate implies no other approvals of land use, site design or code compliance. It is subject to the following general conditions:
 - a. This Certificate runs with the land, therefore, it is transferable only to subsequent owners of the same property, subject to the terms, conditions, and expiration date listed herein. This Certificate is not transferable to any other property, except upon approval of the Director of Planning and Community Development.
 - b. If this Certificate of Concurrency expires before a complete Development Application is submitted to the City of Redmond, the developer must wait fourteen days before submitting another Certificate of Concurrency request for the same development.
 - c. This Certificate of Concurrency shall expire if the Development Agreement for Phase 3 is not approved by City Council or if it expires, or if the Development Application submitted under that Agreement expires.
 7. ☒ Specific conditions are described on the reverse side.

This original Certificate of Concurrency must be submitted as part of a complete Development Application package. Copies of the Certificate will not be accepted.


Transportation Development Administrator

Type of Certificate:

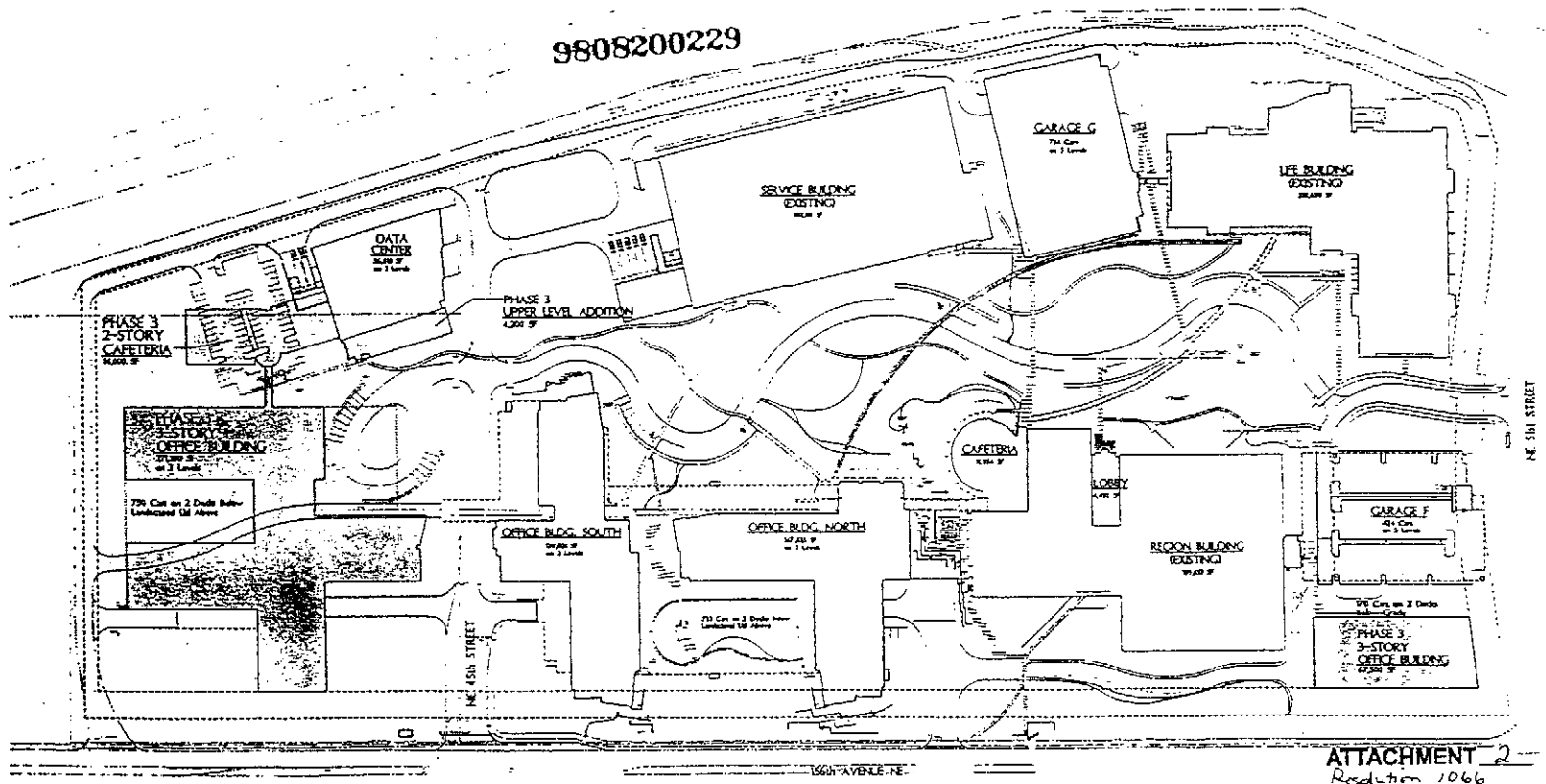
- ☒ Original
☐ Transfer
☐ Replacement

Date issued: 4-8-98

Expiration date: See 6.c above.

15670 N.E. 85TH STREET • PO BOX 97010 • REDMOND, WASHINGTON 98073-9710 • FAX (425) 556-2700 • (425) 556-2701

9808200229

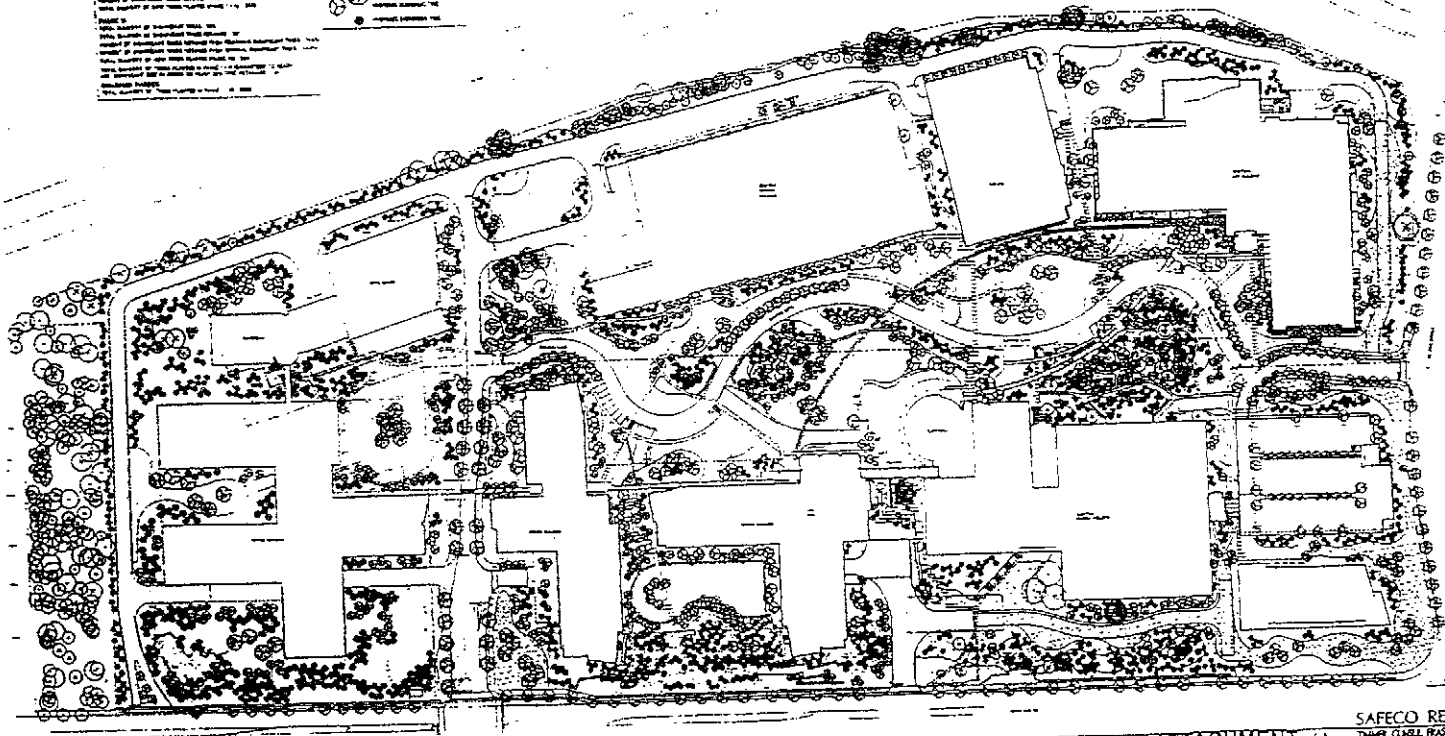
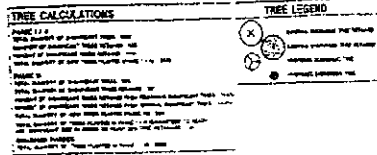


SITE PLAN - PHASE II PROPOSED DEVELOPMENT

NOTE: 3-Story Building height not to exceed 45'.

ATTACHMENT 2
Reduction 1066
SAFECO-REDMOND
ZIMMER GUNSLI FRASCA PARTNERS P
16 FEBRUARY 1998

1. $\frac{1}{2}$ 2. $\frac{1}{3}$ 3. $\frac{1}{4}$ 4. $\frac{1}{5}$ 5. $\frac{1}{6}$ 6. $\frac{1}{7}$ 7. $\frac{1}{8}$ 8. $\frac{1}{9}$ 9. $\frac{1}{10}$ 10. $\frac{1}{11}$ 11. $\frac{1}{12}$ 12. $\frac{1}{13}$ 13. $\frac{1}{14}$ 14. $\frac{1}{15}$ 15. $\frac{1}{16}$ 16. $\frac{1}{17}$ 17. $\frac{1}{18}$ 18. $\frac{1}{19}$ 19. $\frac{1}{20}$ 20. $\frac{1}{21}$ 21. $\frac{1}{22}$ 22. $\frac{1}{23}$ 23. $\frac{1}{24}$ 24. $\frac{1}{25}$ 25. $\frac{1}{26}$ 26. $\frac{1}{27}$ 27. $\frac{1}{28}$ 28. $\frac{1}{29}$ 29. $\frac{1}{30}$ 30. $\frac{1}{31}$ 31. $\frac{1}{32}$ 32. $\frac{1}{33}$ 33. $\frac{1}{34}$ 34. $\frac{1}{35}$ 35. $\frac{1}{36}$ 36. $\frac{1}{37}$ 37. $\frac{1}{38}$ 38. $\frac{1}{39}$ 39. $\frac{1}{40}$ 40. $\frac{1}{41}$ 41. $\frac{1}{42}$ 42. $\frac{1}{43}$ 43. $\frac{1}{44}$ 44. $\frac{1}{45}$ 45. $\frac{1}{46}$ 46. $\frac{1}{47}$ 47. $\frac{1}{48}$ 48. $\frac{1}{49}$ 49. $\frac{1}{50}$ 50. $\frac{1}{51}$ 51. $\frac{1}{52}$ 52. $\frac{1}{53}$ 53. $\frac{1}{54}$ 54. $\frac{1}{55}$ 55. $\frac{1}{56}$ 56. $\frac{1}{57}$ 57. $\frac{1}{58}$ 58. $\frac{1}{59}$ 59. $\frac{1}{60}$ 60. $\frac{1}{61}$ 61. $\frac{1}{62}$ 62. $\frac{1}{63}$ 63. $\frac{1}{64}$ 64. $\frac{1}{65}$ 65. $\frac{1}{66}$ 66. $\frac{1}{67}$ 67. $\frac{1}{68}$ 68. $\frac{1}{69}$ 69. $\frac{1}{70}$ 70. $\frac{1}{71}$ 71. $\frac{1}{72}$ 72. $\frac{1}{73}$ 73. $\frac{1}{74}$ 74. $\frac{1}{75}$ 75. $\frac{1}{76}$ 76. $\frac{1}{77}$ 77. $\frac{1}{78}$ 78. $\frac{1}{79}$ 79. $\frac{1}{80}$ 80. $\frac{1}{81}$ 81. $\frac{1}{82}$ 82. $\frac{1}{83}$ 83. $\frac{1}{84}$ 84. $\frac{1}{85}$ 85. $\frac{1}{86}$ 86. $\frac{1}{87}$ 87. $\frac{1}{88}$ 88. $\frac{1}{89}$ 89. $\frac{1}{90}$ 90. $\frac{1}{91}$ 91. $\frac{1}{92}$ 92. $\frac{1}{93}$ 93. $\frac{1}{94}$ 94. $\frac{1}{95}$ 95. $\frac{1}{96}$ 96. $\frac{1}{97}$ 97. $\frac{1}{98}$ 98. $\frac{1}{99}$ 99. $\frac{1}{100}$ 100. $\frac{1}{101}$ 101. $\frac{1}{102}$ 102. $\frac{1}{103}$ 103. $\frac{1}{104}$ 104. $\frac{1}{105}$ 105. $\frac{1}{106}$ 106. $\frac{1}{107}$ 107. $\frac{1}{108}$ 108. $\frac{1}{109}$ 109. $\frac{1}{110}$ 110. $\frac{1}{111}$ 111. $\frac{1}{112}$ 112. $\frac{1}{113}$ 113. $\frac{1}{114}$ 114. $\frac{1}{115}$ 115. $\frac{1}{116}$ 116. $\frac{1}{117}$ 117. $\frac{1}{118}$ 118. $\frac{1}{119}$ 119. $\frac{1}{120}$ 120. $\frac{1}{121}$ 121. $\frac{1}{122}$ 122. $\frac{1}{123}$ 123. $\frac{1}{124}$ 124. $\frac{1}{125}$ 125. $\frac{1}{126}$ 126. $\frac{1}{127}$ 127. $\frac{1}{128}$ 128. $\frac{1}{129}$ 129. $\frac{1}{130}$ 130. $\frac{1}{131}$ 131. $\frac{1}{132}$ 132. $\frac{1}{133}$ 133. $\frac{1}{134}$ 134. $\frac{1}{135}$ 135. $\frac{1}{136}$ 136. $\frac{1}{137}$ 137. $\frac{1}{138}$ 138. $\frac{1}{139}$ 139. $\frac{1}{140}$ 140. $\frac{1}{141}$ 141. $\frac{1}{142}$ 142. $\frac{1}{143}$ 143. $\frac{1}{144}$ 144. $\frac{1}{145}$ 145. $\frac{1}{146}$ 146. $\frac{1}{147}$ 147. $\frac{1}{148}$ 148. $\frac{1}{149}$ 149. $\frac{1}{150}$ 150. $\frac{1}{151}$ 151. $\frac{1}{152}$ 152. $\frac{1}{153}$ 153. $\frac{1}{154}$ 154. $\frac{1}{155}$ 155. $\frac{1}{156}$ 156. $\frac{1}{157}$ 157. $\frac{1}{158}$ 158. $\frac{1}{159}$ 159. $\frac{1}{160}$ 160. $\frac{1}{161}$ 161. $\frac{1}{162}$ 162. $\frac{1}{163}$ 163. $\frac{1}{164}$ 164. $\frac{1}{165}$ 165. $\frac{1}{166}$ 166. $\frac{1}{167}$ 167. $\frac{1}{168}$ 168. $\frac{1}{169}$ 169. $\frac{1}{170}$ 170. $\frac{1}{171}$ 171. $\frac{1}{172}$ 172. $\frac{1}{173}$ 173. $\frac{1}{174}$ 174. $\frac{1}{175}$ 175. $\frac{1}{176}$ 176. $\frac{1}{177}$ 177. $\frac{1}{178}$ 178. $\frac{1}{179}$ 179. $\frac{1}{180}$ 180. $\frac{1}{181}$ 181. $\frac{1}{182}$ 182. $\frac{1}{183}$ 183. $\frac{1}{184}$ 184. $\frac{1}{185}$ 185. $\frac{1}{186}$ 186. $\frac{1}{187}$ 187. $\frac{1}{188}$ 188. $\frac{1}{189}$ 189. $\frac{1}{190}$ 190. $\frac{1}{191}$ 191. $\frac{1}{192}$ 192. $\frac{1}{193}$ 193. $\frac{1}{194}$ 194. $\frac{1}{195}$ 195. $\frac{1}{196}$ 196. $\frac{1}{197}$ 197. $\frac{1}{198}$ 198. $\frac{1}{199}$ 199. $\frac{1}{200}$ 200. $\frac{1}{201}$ 201. $\frac{1}{202}$ 202. $\frac{1}{203}$ 203. $\frac{1}{204}$ 204. $\frac{1}{205}$ 205. $\frac{1}{206}$ 206. $\frac{1}{207}$ 207. $\frac{1}{208}$ 208. $\frac{1}{209}$ 209. $\frac{1}{210}$ 210. $\frac{1}{211}$ 211. $\frac{1}{212}$ 212. $\frac{1}{213}$ 213. $\frac{1}{214}$ 214. $\frac{1}{215}$ 215. $\frac{1}{216}$ 216. $\frac{1}{217}$ 217. $\frac{1}{218}$ 218. $\frac{1}{219}$ 219. $\frac{1}{220}$ 220. $\frac{1}{221}$ 221. $\frac{1}{222}$ 222. $\frac{1}{223}$ 223. $\frac{1}{224}$ 224. $\frac{1}{225}$ 225. $\frac{1}{226}$ 226. $\frac{1}{227}$ 227. $\frac{1}{228}$ 228. $\frac{1}{229}$ 229. $\frac{1}{230}$ 230. $\frac{1}{231}$ 231. $\frac{1}{232}$ 232. $\frac{1}{233}$ 233. $\frac{1}{234}$ 234. $\frac{1}{235}$ 235. $\frac{1}{236}$ 236. $\frac{1}{237}$ 237. $\frac{1}{238}$ 238. $\frac{1}{239}$ 239. $\frac{1}{240}$ 240.



TREE RETENTION PLAN

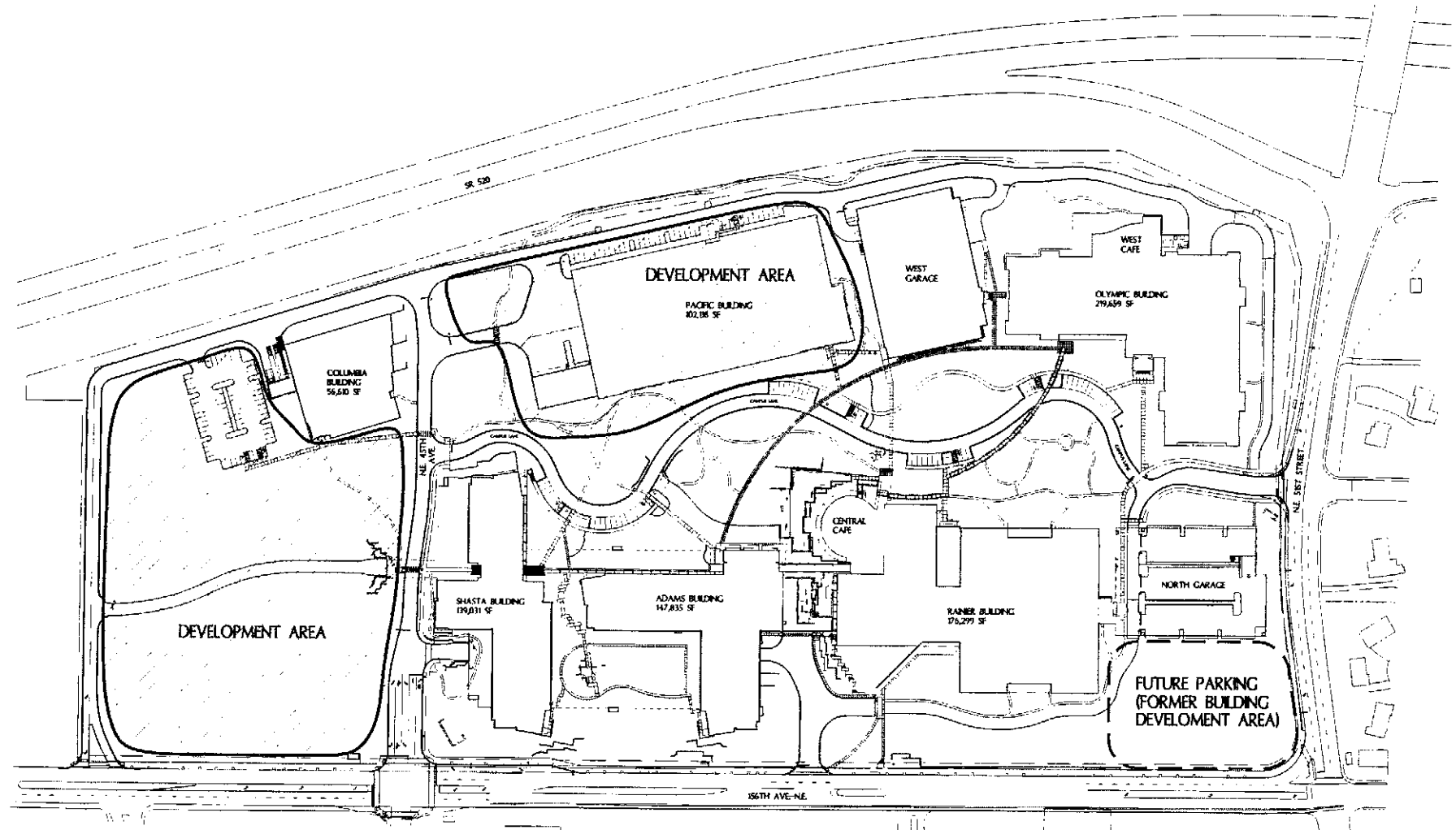
ATTACHMENT 4 SAFECO REDMOND
DAVID CUELL PRASCA PARTNERS
RESOLUTION 10460
BULMAYOR & ASSOCIATES

AMMENDMENT TO
ATTACHMENT 1
OF
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDMOND AND
SAFECO INSURANCE COMPANY OF AMERICA FOR DEVELOPMENT OF
PHASE III OF THE REDMOND CAMPUS DATED MAY 27TH, 1998

LEGAL DESCRIPTION OF REDMOND CAMPUS

Lots 1, 2, 3, 4 and 5 of Safeco Redmond Campus II Binding Site Plan recorded in Volume 212 of Plats, Pages 091 through 095 under King County, Washington recording no. 20030307001273.

New Site Plan



SOLID LINE = DEVELOPMENT AREA FOR MAXIMUM OFFICE AREA OF 445,490 SF AND PARKING AT 3/1,000 SF IN A COMBINATION OF STRUCTURED AND SURFACE SPACES. 4-STORY BUILDINGS WITH A MAXIMUM HEIGHT OF 56'-0".

DASHED LINE = FUTURE SURFACE PARKING (COULD BE CONSTRUCTED PRIOR TO PHASE III)

BUILDING = MIN. BUILDING FRONT AND STREET SETBACKS - 10'-0"
SETBACK LINE MIN. BUILDING SIDE AND REAR SETBACKS - 20'-0"

PHASE III DEVELOPMENT

JANUARY 2004

0 50 100 200

DEVELOPMENT AGREEMENT AMENDMENT NO.2

SAFECO REDMOND

2000-01 COLUMBIA PARTNERSHIP





New Certificate of Concurrency

THE CITY OF REDMOND
PLANNING DEPARTMENT

CERTIFICATE OF CONCURRENCY

This Certificate confirms that the transportation concurrency requirement for the proposed development described below has been satisfied pursuant to the conditions contained in this Certificate.

1. Applicant name and address:

General America Corporation (successor in interest to Safeco Insurance Company of America)
Safeco Plaza
Seattle, WA 98185

2. Property location:

a. Property address: 154 NE 51st Street, 4909 156th Ave NE, and 4801 156th Ave NE, Redmond, WA

b. Development name: Redmond Campus Expansion, Phase 3

c. Assessor's Parcel Number(s): 750310-0020-01, 750310-0010-03, 142505-9138-06, and 142505-9102-08

d. Section, Township, Range: Section 14, Township 25 North, Range 5 East

3. Type of development permit to be requested: Development Agreement Amendment, Site Plan Entitlement, and Building Permits

4. Proposed land use: Office Campus

5. This Certificate applies to the following development units: Up to 445,490 sq. ft. of office.

6. This Certificate is only an indication that there is adequate vehicular capacity on the City of Redmond street network to support the traffic forecasted to be generated by the development described above. This Certificate implies no other approvals of land use, site design or code compliance. It is subject to the following general conditions:

- a. This Certificate runs with the land, therefore, it is transferable only to subsequent owners of the same property, subject to the terms, conditions, and expiration date listed herein. This Certificate is not transferable to any other property, except upon approval of the Director of Planning and Community Development.
- b. If this Certificate of Concurrency expires before a complete development application is submitted to the City of Redmond, the developer must wait fourteen days before submitting another Certificate of Concurrency request for the same development.
- c. This Certificate of Concurrency shall expire if the Development Agreement, including amendments, for Phase III expires and if Development Applications submitted under the Development Agreement have also expired.

7. ☒ Specific conditions are described on the reverse side.

A.44

This original Certificate of Concurrency must be submitted to the Redmond Planning Department prior to issuance of site plan approval. Copies of the certificate will not be accepted.

Donald Cairns
Transportation Development Manager

Robert Kuzendinski
Planning Director

Date Issued: 2-25-04

Expiration date:

Type of Certificate:

☐ Original
☐ Transfer
☒ Replacement

Certificate of Concurrency
Safeco Campus Expansion, Phase 3
Date Issued:

TCM
6/24/04
(120 days)
→ Please see paragraph
6 C above
TCM

Transportation Management Program. This Certificate of Concurrency is contingent on the applicant implementing and maintaining a Transportation Management Program (TMP) for Phase 3. The TMP shall be approved by the City of Redmond Planning Department during the site plan entitlement review process for Phase 3. The TMP must meet the requirements of the Transportation Management Code. Implementation of this Program must be in conjunction with occupancy of Phase 3.

Development Agreement. This Certificate of Concurrency is contingent on the applicant and the City executing a Second Amendment to the Development Agreement for Phase 3 of the Safeco Campus development and it shall become effective upon execution. The Certificate of Concurrency dated April 8, 1998 shall remain in effect until the Second Amendment to the Development Agreement is executed by the applicant and the City.

Concurrency in Grass Lawn. The concurrency obligation in the Original Certificate of Concurrency dated 4-8-98 for Grass Lawn has been satisfied.

Concurrency in Overlake. The concurrency obligation in the Original Certificate of Concurrency dated 4-8-98 for Overlake has been satisfied.